

Aged, Blind and Disabled Manual	Section: Categories of Eligibility
Policy Manual Number: 115.020	Chapter: Pickle Passalong

## **PICKLE PASSALONG**

**Legal Authority:** 42 CFR 435.135

### **1. Overview**

The Pickle Passalong Medicaid category is named in honor of US Congressman J.J. Pickle, and was established in 1977. To be eligible in the Pickle Passalong category, an individual must have been receiving both Supplemental Security Income (SSI) and Social Security benefits. The individual must have then lost SSI eligibility, but would remain SSI-eligible if the Social Security cost of living adjustments (COLAs) received since the SSI termination were disregarded.

### **2. Policy Statement**

TennCare Medicaid benefits are available to individuals who would be eligible for SSI payments if increases in Social Security benefits due to COLAs were disregarded. An individual who meets all other non-financial and financial eligibility requirements remains eligible for TennCare Medicaid if he:

- a. Is currently receiving Social Security benefits (Old Age, Survivors, or Disability Insurance (OASDI));
- b. Is not currently receiving SSI;
- c. Was entitled to both OASDI and SSI benefits in the same month after April 1977; and
- d. Has countable income (including in-kind income) equal to or less than the current SSI-FBR after deducting all OASDI cost-of-living adjustments (COLAs) received since the last month in which the individual was eligible for both OASDI and SSI .

### **3. Non-Financial Eligibility Requirements**

#### **a. Age**

An individual must have attained at least age 65 or meet the Social Security Administration (SSA) requirements of blindness or disability. Individuals are not required to provide documentary evidence of age if they are entitled to or enrolled in any part of Medicare.

#### **b. Citizenship**

Individuals must be U.S. citizens, U.S. nationals or eligible non-citizens. Individuals are not required to provide documentary evidence of citizenship or national status if they are entitled to or enrolled in any part of Medicare and/or receiving Social Security disability benefits.

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**c. Residency**

Individuals eligible for this category must be residents of Tennessee.

**d. Enumeration**

Individuals must possess and provide a valid Social Security Number (SSN) or proof of application for an SSN.

**e. Eligible For and Receiving Social Security Benefits**

Individuals must be eligible for and receiving Social Security benefits as authorized under Title II of the Social Security Act.

**4. Financial Eligibility Requirements**

**a. Household Composition**

Household composition is governed by the principle of Financially Responsible Relatives (FRR). Financial responsibility is limited to spouse to spouse and parent to child. See the *ABD Financially Responsible Relatives* policy.

**b. Couples**

A Pickle Passalong eligible couple must both meet all Pickle Passalong eligibility criteria to qualify as a Pickle Passalong eligible couple. If the individual's spouse is ineligible for Pickle Passalong, income may be deemed to the individual. See the *ABD Deeming of Income and Resources* policy.

**c. Income**

**i. Income Eligibility**

An individual is income eligible if her net countable income less all appropriate Social Security COLAs is less than the appropriate SSI-FBR.

**ii. COLA Disregards**

Disregard the following, if applicable:

1. All Social Security COLAs that caused or have occurred since the applicant's SSI eligibility was terminated;
2. The spouse's Social Security COLAs that caused or have occurred since the SSI termination, if the spouse's income is deemed to the applicant; or

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3. The parents' Social Security COLAs which occurred since the applicant's SSI termination, if the applicant is a child.

### iii. Determining the Amount of the COLA Disregard

Determine the amount of the COLA disregard by multiplying the applicant's current Social Security benefit by the appropriate conversion factor. Follow the steps below:

1. Verify the current Social Security benefit amount;
2. Verify the SSI termination date;
3. Locate the appropriate conversion factor based on the month and year of SSI termination; and
4. Multiply the current Social Security benefit by the conversion factor.
5. Take the result (after multiplication by the conversation factor) and deduct it from the current Social Security benefit to determine the COLA disregard amount.

### Pickle Conversion Factor Table

Timeframe	Factor	Timeframe	Factor
May-June 1997	.237	Jan-December 1997	.645
July 1977-June 1978	.253	Jan-December 1998	.659
July 1978-June 1979	.278	Jan-December 1999	.667
July 1979-June 1980	.317	Jan-December 2000	.684
July 1980-June 1981	.353	Jan-December 2001	.708
July 1981-June 1982	.379	Jan-December 2002	.727
July 1982-Dec 1983	.406	Jan-December 2003	.736
Jan-December 1984	.419	Jan-December 2004	.752
Jan-December 1985	.433	Jan-December 2005	.772
Jan-December 1986	.448	Jan-December 2006	.804
Jan-December 1987	.453	Jan-December 2007	.831
Jan-December 1988	.472	Jan-December 2008	.849
Jan-December 1989	.491	Jan 2009-Dec 2011	.899
Jan-December 1990	.515	Jan-December 2012	.931
Jan-December 1991	.543	Jan-December 2013	.947
Jan-December 1992	.563	Jan-December 2014	.961
Jan-December 1993	.579	Jan 2015-Dec 2016	.977
Jan-December 1994	.595	Jan-December 2017	.98
Jan-December 1995	.611	Jan 2018 –	1.00
Jan-December 1996	.627		

### d. Resource Limit

Resource limits for this category are \$2,000 for an individual and \$3,000 for a couple.

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## 5. Budget

### a. Budget Overview

#### 1. Child Support Calculation

- Gross Child Support
- 1/3 Reduction (if recipient is under age 18, or a student under age 22)
- = Total Countable Child Support

#### 2. Total Gross Unearned Income Computation

- Deemed Income from Parent(s)
- + Deemed Unearned Income from Spouse
- + Unearned Income (includes current OASDI benefits; excludes child support)
- + Total Countable Child Support
- = Gross Unearned Income

#### 3. Total Gross Earned Income Computation

- Total Countable Earned Income
- + Self-Employment Income
- + Deemed Earned Income from a Spouse or Parent
- Disabled Student Under Age 22 Earned Income Exclusion
- = Gross Earned Income

#### 4. Total Net Unearned Income Computation

- Gross Unearned Income
- General Unearned Income Disregard (\$20)
- = Net Unearned Income

#### 5. Total Net Earned Income Computation

- Gross Earned Income
- General Income Disregard Remainder
- Earned Income Disregard (\$65)
- Disabled Work Expense
- ½ Disregard
- Blind Work Expense
- = Net Earned Income

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#### 6. Countable Income Computation

$$\begin{array}{r}
 \text{Net Unearned Income} \\
 + \text{ Net Earned Income } \\
 = \text{ Total Countable Income}
 \end{array}$$

If Total Countable Income is less than the current SSI-FBR, the person is income-eligible for the Pickle Passalong category. If Total Countable Income is greater than the SSI-FBR, proceed to Step 7.

#### 7. COLA Disregard and Eligibility Determination

$$\begin{array}{r}
 \text{Total Countable Income} \\
 - \text{ COLA Disregard } \\
 = \text{ Total Adjusted Income}
 \end{array}$$

If the Total Adjusted Income is less than the current SSI-FBR, then the person is income-eligible for the Pickle Passalong category.

#### b. Example Budget

Sally was an SSI and OASDI benefit recipient until 10/2013, when her SSI eligibility ended due to an OASDI COLA. Sally is married to Jim, and they live together with no children. Jim is ineligible for SSI or TennCare Medicaid, and \$270 of his unearned income and \$650 of his earned income is deemed available to Sally. Sally has \$155 in monthly earned income and \$550 in OASDI benefits. Sally applies for TennCare Medicaid effective 2/1/2018.

##### i. Total Gross Unearned Income Computation

$$\begin{array}{r}
 \$270 \text{ Unearned Income from Spouse} \\
 + \text{ \$550 OASDI benefits } \\
 = \$820 \text{ Gross Unearned Income}
 \end{array}$$

##### ii. Total Gross Earned Income Computation

$$\begin{array}{r}
 \$155 \text{ Earned Income} \\
 + \text{ \$650 Deemed Earned Income from Spouse } \\
 = \$805 \text{ Gross Earned Income}
 \end{array}$$

##### iii. Total Net Unearned Income Computation

$$\begin{array}{r}
 \$820 \text{ Gross Unearned Income} \\
 - \text{ \$20 General Unearned Income Disregard } \\
 = \$800 \text{ Net Unearned Income}
 \end{array}$$

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**iv. Total Net Earned Income Computation**

\$805 Gross Earned Income  
 - \$65 Earned Income Disregard  
 - \$370 ½ Disregard ( $\$805 - 65 = \$740 / 2 = \$370$ )  
 \$370 Net Earned Income

**v. Countable Income Computation**

\$800 Net Unearned Income  
 + \$370 Net Earned Income  
 \$1170 Countable Income

**vi. COLA Disregard and Eligibility Determination**

\$1170 Countable Income  
 -  $(\$550.00 - (\$550.00 * .947)) = \$29.15$  COLA Disregard  
 \$1140.85 Total Adjusted Income

\$1140 is greater than the current SSI-FBR for a couple, \$1125, so the applicant is not income eligible for the Pickle Passalong category.

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